

ORDINANCE C-116-05

AN ORDINANCE PROVIDING FOR THE CONSTRUCTION OF CERTAIN PUBLIC IMPROVEMENTS WITHIN THE CITY BY CREATING A RESIDENTIAL INCENTIVE DISTRICT ENCOMPASSING CERTAIN PARCELS OF REAL PROPERTY, DECLARING IMPROVEMENTS TO SUCH PARCELS TO BE A PUBLIC PURPOSE, EXEMPTING SUCH IMPROVEMENTS FROM TAXATION, REQUIRING THE OWNERS OF SUCH PARCELS TO MAKE PAYMENTS IN LIEU OF TAXES, ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF SUCH SERVICE PAYMENTS, DESCRIBING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BE MADE TO BENEFIT AND SERVE THOSE PARCELS, APPROVING AND AUTHORIZING THE EXECUTION OF TAX INCREMENT FINANCING AND INFRASTRUCTURE AGREEMENTS AND DECLARING AN EMERGENCY

WHEREAS, the parcels of real property specifically identified and depicted in Exhibit A attached hereto (collectively, the "*Property*") are located in the City of Grove City (the "*City*"), County of Franklin, State of Ohio; and

WHEREAS, Section 5709.40(C) of the Ohio Revised Code, authorizes the legislative authority of a municipal corporation, by ordinance, to create an incentive district and to declare improvements to parcels of real property located within the incentive district to be a public purpose and exempt from taxation; and

WHEREAS, this Council has determined to create an incentive district known as the Rockford Homes Incentive District (the "*Incentive District*") pursuant to Section 5709.40(C) of the Ohio Revised Code, the boundary of which shall be coextensive with the boundary of the Property; and

WHEREAS, by Resolution CR-92-05, passed on November 21, 2005, this Council previously approved an economic development plan for the Incentive District (the "*Development Plan*"), which plan is on file in the office of the Clerk of Council; and

WHEREAS, the Grove City Engineer has certified to this Council that (i) the Incentive District is less than 300 acres in size, (ii) the Incentive District is enclosed by a continuous boundary, and (iii) the public infrastructure serving the Incentive District is inadequate to meet the development needs of the Property as evidenced by the Development Plan; and

WHEREAS, Rockford Homes Inc. (the "*Developer*") intends to make or cause to be made certain improvements to certain parcels within the Incentive District owned by it, which improvements are described in Exhibit C attached hereto (collectively, the "*Project*"), and which improvements this Council has determined are a public purpose under Section 5709.40(C) of the Ohio Revised Code; and

WHEREAS, this Council has determined that the life of the Incentive District shall be 15 years and that it is necessary and appropriate and in the best interest of the City to exempt from taxation 100% of the improvements to parcels within the Incentive District as permitted and provided in Section 5709.40(C) of the Ohio Revised Code for the 15 year life of the Incentive District and to simultaneously direct and require the current and future owner(s) of parcels within the Incentive District (each individually an "*Owner*" and collectively the "*Owners*") to make annual service payments in lieu of the real property tax payments in the same amount as the real property tax payments they would have made except for the exemption provided by this Ordinance ("*Service Payments*"), which Service Payments shall be made to the Franklin County Treasurer on or before the final dates for payment of real property taxes; and

WHEREAS, this Council intends to cause to be constructed the public infrastructure improvements described in Exhibit B attached hereto (the “*Public Infrastructure Improvements*”), that once made would benefit and serve the Incentive District; and

WHEREAS, pursuant to Section 5709.43(A) of the Ohio Revised Code, this Council has determined to establish a municipal public improvement tax increment equivalent fund for the Incentive District into which there shall be deposited Service Payments distributed to the City; and

WHEREAS, this Council has determined that a portion of the Service Payments shall be paid to the South-Western City School District, Ohio (the “*School District*”) in an amount equal to the real property taxes that the School District would have been paid if improvements to parcels within the Incentive District had not been exempted from taxation pursuant to this Ordinance; and

WHEREAS, notice of this proposed Ordinance has been delivered to the board of education of each affected school district in accordance with and within the time periods prescribed in Sections 5709.40(C) and 5709.83 of the Ohio Revised Code;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GROVE CITY, FRANKLIN COUNTY, OHIO, THAT:

SECTION 1. Pursuant to Section 5709.40(C) of the Ohio Revised Code, the City hereby creates the “*Rockford Homes Incentive District*”, the boundaries of which shall be coextensive with the boundaries of the Property as depicted on Exhibit A. This Council hereby finds and determines that 100% of the increase in assessed value of each parcel of the Property subsequent to the effective date of this Ordinance (which increase in assessed value is hereinafter referred to as the “*Improvement*” as defined in Section 5709.40(A) of the Ohio Revised Code) is hereby declared to be a public purpose and shall be exempt from taxation for a period coextensive with the life of the Incentive District, which commences with the first tax year that begins after the effective date of this Ordinance and in which an Improvement due to a Project structure first appears on the tax list and duplicate of real and public utility property and ending on the earlier of (a) fifteen (15) years after such district commenced or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of Sections 5709.40 and 5709.42 of the Ohio Revised Code.

SECTION 2. Pursuant to Section 5709.42 of the Ohio Revised Code, the City hereby directs and requires the Owners to make annual Service Payments to the Franklin County Treasurer on or before the final dates for payment of real property taxes, and authorizes and directs the Director of Development (the “*Director*”), the Clerk of Council, the Director of Law, the Director of Finance or other appropriate officers of the City, to make such arrangements as are necessary and proper for collection from the Owners of said Service Payments.

SECTION 3. The City hereby designates the Public Infrastructure Improvements described in Exhibit B attached hereto as Public Infrastructure Improvements that once made will benefit and serve the parcels in the Incentive District.

SECTION 4. In accordance with the Sections 5709.40 and 5709.42 of the Ohio Revised Code and this Ordinance, the Franklin County Treasurer is requested to pay directly to the School District a portion of the Service Payments made to the Franklin County Treasurer equal to the amount of the real property taxes that the School District would have received if the Improvement had not been exempted from taxation pursuant to this Ordinance. The Franklin County Treasurer is requested to pay to the City for deposit into the TIF Fund (defined in Section 5 hereof) the remainder of those Service Payments.

SECTION 5. The City hereby establishes the "Rockford Homes Tax Equivalent Fund" (the "*TIF Fund*") into which the Franklin County Treasurer is requested to deposit the portion of the Service Payments attributable to the Incentive District and not required to be distributed to the School District pursuant to Section 4 hereof. The TIF Fund shall remain in existence so long as Service Payments are collected and used for the aforesaid purposes, after which the TIF Fund shall be dissolved in accordance with Section 5709.43 of the Ohio Revised Code.

SECTION 6. The form of Tax Increment Financing Agreement between the City and the Developer (the "*TIF Agreement*") presently on file with the Clerk of Council, providing for, among other things, the filing of exemption applications and the expenditure of amounts in the TIF Fund, is hereby approved and authorized with changes therein not inconsistent with this Ordinance and not substantially adverse to this City and which shall be approved by the City Administrator. The City Administrator, for and in the name of this City, is hereby authorized to execute the TIF Agreement in substantially that form with the Developer, provided that the approval of changes thereto by the City Administrator, and the character of those changes as not being substantially adverse to the City, shall be evidenced conclusively by the City Administrator's execution thereof.

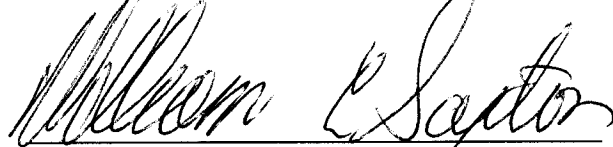
SECTION 7. The form of Infrastructure Agreement between the City and the Developer (the "*Infrastructure Agreement*") presently on file with the Clerk of Council, providing for the construction of the Public Infrastructure Improvements on Exhibit B and the payment of the costs of that construction, is hereby approved and authorized with changes therein not inconsistent with this Ordinance and not substantially adverse to the City and which shall be approved by the City Administrator. The City Administrator, for and in the name of this City, is hereby authorized to execute the Infrastructure Agreement in substantially that form with the Developer, provided that the approval of the changes thereto by the City Administrator, and the character of those changes as not being substantially adverse to the City, shall be evidenced conclusively by the City Administrator's execution thereof.

SECTION 8. This Council hereby determines that it is in the best interest of the City to pay to Jackson Township the portion of the monies on deposit in the TIF Fund that Jackson Township would have received if the Improvement had not been exempted from taxation pursuant to this Ordinance during the 11th and subsequent years that the exemption is in effect. The City Administrator is hereby authorized and instructed to prepare and sign all agreements and instruments and take any other actions as may be appropriate to implement this Section.


SECTION 9. Pursuant to Section 5709.40(G) of the Ohio Revised Code, the Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of Development of the State of Ohio within fifteen days after its effective date. Further, and on or before March 31 of each year that the Exemption set forth in Section 1 hereof remains in effect as provided in Section 3 hereof, the Housing Administrator or other authorized officer of the City shall prepare and submit to the Director of Development of the State of Ohio the status report required under Section 5709.40(G) of the Ohio Revised Code.

SECTION 10. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council or committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Ohio Revised Code.

SECTION 11. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public health or safety of this City and for the further reason that this Ordinance is required to be immediately effective in order that the City may enter into agreements necessary in order to promote the development of the Rockford Homes Planning Area and construct improvements to Buckeye Parkway prior to the closure of Hoover Road in Spring 2006; and shall be in full force and effect immediately upon its passage.


William E. Saxton, President of Council

Passed: 12-05-05
Effective: 12-05-05


Cheryl L. Grossman, Mayor

Attest:


Tami K. Kelly, MMC, Clerk of Council

I certify that this ordinance is correct as to form.


Thomas R. Clark, Director of Law

I certify that there is money in the treasury, or is in the process of collection, to pay the within ordinance.

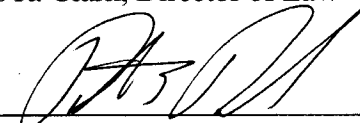
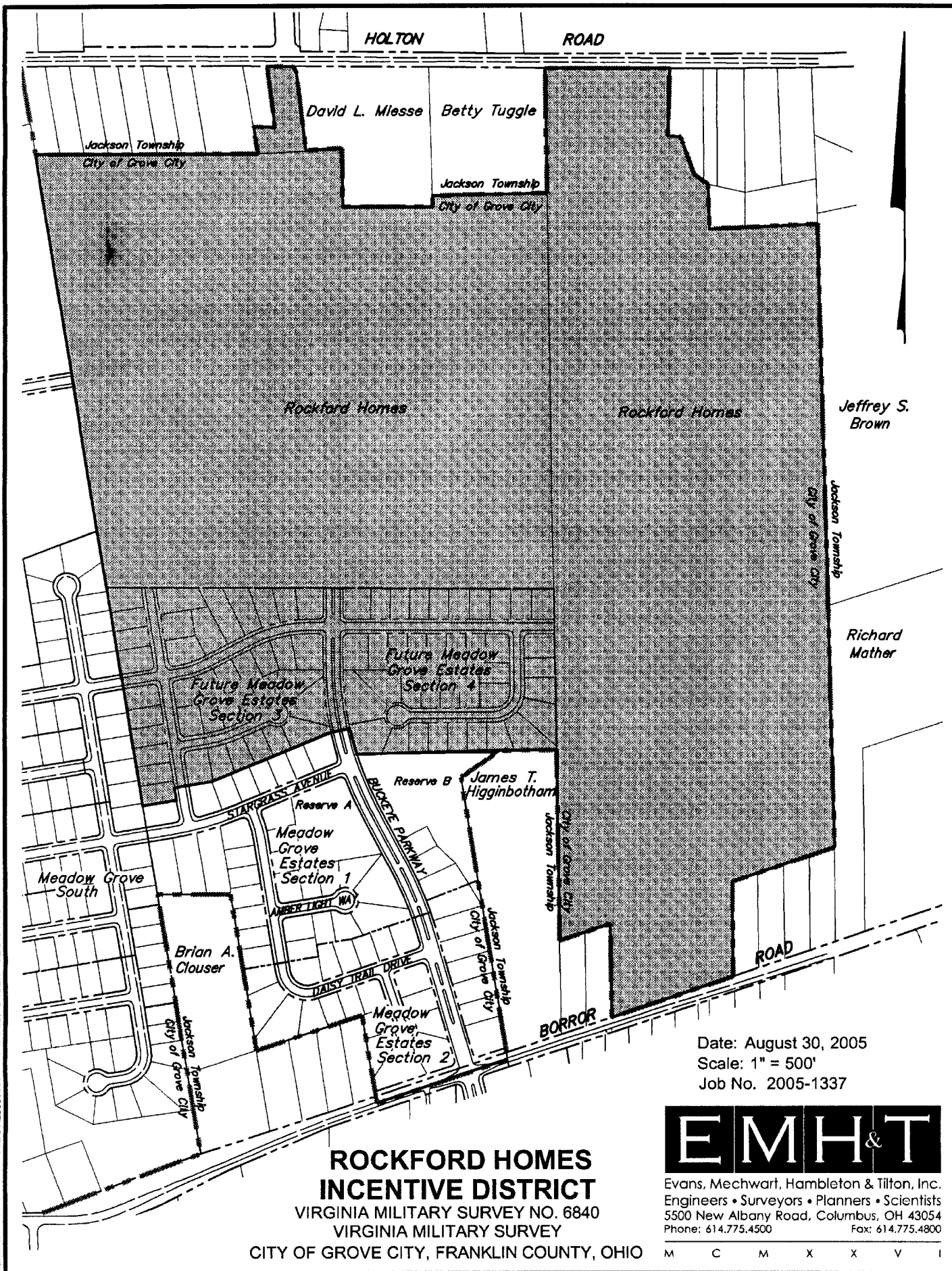

Robert E. Behlen, Director of Finance

EXHIBIT A

PROPERTY

The Property includes, but is not limited to, the following tax parcels: 040-011920, 040-012015, 040-005225, 040-005226. The shaded area on the following map depicts the Property and constitutes part of this Exhibit A.

\\CMHDATA\I\ROMER\PROJECT\20030656\DWG\EXHIBIT\INCENTIVE DISTRICT.DWG<INCENTIVE DISTRICT>



Date: August 30, 2005
Scale: 1" = 500'
Job No. 2005-1337

EMH&T

Evans, Mechwart, Hambleton & Tilton, Inc.
Engineers • Surveyors • Planners • Scientists
5500 New Albany Road, Columbus, OH 43054
Phone: 614.775.4500 Fax: 614.775.4800

M C M X X V I

EXHIBIT B

PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements include the construction of the following improvements and all related costs (as defined in Ohio Revised Code Section 133.15(B)):

- Buckeye Parkway from its current terminus at the north property line of Meadow Grove Estates Section 4 to the south right-of-way line of Holton Road, including, but not limited to, a median and intersection improvements;
- turn lane improvements to Holton Road intersection;
- improvements to Holton Road from Hoover Road to State Route 104;
- Borror Road from State Route 104 to State Route 665;

together with constructing and installing curbs and gutters, public utilities which include water mains and storm sewer, stormwater improvements, burial of utility lines, gas, electric and communications service facilities (including fiber optics), street lighting and signs, sidewalks, bikeways, traffic signs and signalization, and including design and other related costs, any right-of-way or real estate acquisition, erosion and sediment control measures, grading, drainage and other related work, survey work, soil engineering, inspection fees and construction staking, and in each case, all other costs and improvements necessary and appurtenant thereto.

EXHIBIT C

PROJECT DESCRIPTION

A 465 unit residential community featuring 343 single family homes, 40 condominium homes and 82 twin single homes that is generally located in the area south of Holton Road, north of Borror Road and on the east and west sides of the new Buckeye Parkway. Homes are expected to first be available in 2006 and final build-out is expected by 2015.

TAX INCREMENT FINANCING PROJECT AND DEVELOPMENT AGREEMENT

This Tax Increment Financing Project and Development Agreement (the "*Agreement*"), made and entered into as of _____, 2005, by and between the City of Grove City, Ohio (the "*City*"), a municipal corporation organized and existing under the constitution and the laws of the State of Ohio, and Rockford Homes Inc. (the "*Owner*").

WITNESSETH:

WHEREAS, the Owner has acquired certain real property located in the City, a depiction of such real property is attached hereto as Exhibit A attached hereto, with such real property referred to herein as the "*Property*"; and

WHEREAS, the Owner contemplates making or having made private improvements to the Property which are more fully described in Exhibit B attached hereto (the "*Private Improvements*"); and

WHEREAS, it is necessary to construct or to cause to be constructed certain public infrastructure improvements (as described in Exhibit C attached hereto and referred to herein as the "*Public Infrastructure Improvements*"), which the City and the Owner agree will benefit and serve the Private Improvements and the Property; and

WHEREAS, the City, by its Ordinance C-116-05 passed December 05, 2005 (the "*Ordinance*"), has declared that 100% of the increase in the assessed value of the Property subsequent to the effective date of the Ordinance (such increase hereinafter referred to as the "*Improvement*" as further defined in Ohio Revised Code Section 5709.40 and the Ordinance) is a public purpose and is exempt from the first tax year that begins after the effective date of the Ordinance and in which an Improvement due to a Private Improvement structure first appears on the tax list and duplicate of real and public utility property and ending on the earlier of (a) fifteen (15) years after such district commenced or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of Ohio Revised Code Sections 5709.40 and 5709.42 (the "*TIF Exemption*"); and

WHEREAS, the City has determined that it is necessary and appropriate and in the best interests of the City to provide for the owner of any portion of the Property to make service payments in lieu of taxes with respect to such Property (the "*Service Payments*"), which Service Payments will be used to pay costs of construction of the Public Infrastructure Improvements and distributed to the South-Western City School District (the "*School District*"), all pursuant to and in accordance with Ohio Revised Code Sections 5709.40, 5709.42, 5709.43 and 5709.91 (collectively, the "*TIF Statutes*"); and

WHEREAS, to provide for the collection of the Service Payments and to enable the Private Improvements and Public Infrastructure Improvements to be developed, the parties desire to enter into this Agreement on the terms as hereinafter provided; and

WHEREAS, the parties intend for this Agreement to constitute a "project agreement" for purposes of Section 557.17 of Amended Substitute House Bill Number 66 of the 126th General

Assembly and a "contract or agreement with a developer" for purposes of Ohio Revised Code Section 3317.021(6)(a) as the same may amended from time to time;

NOW, THEREFORE, in consideration of the premises and covenants contained herein, the parties hereto agree to the foregoing and as follows:

Section 1 - Service Payments. The Owner hereby agrees to make Service Payments attributable to its period of ownership of the Property, all pursuant to and in accordance with the requirements of the TIF Statutes, the Ordinance and any subsequent amendments or supplements thereto.

Service Payments will be made semiannually to the Franklin County Treasurer (or to such treasurer's designated agent for collection of the Service Payments) on or before the date on which real property taxes would otherwise be due and payable for the Property. Any late payments will bear penalties and interest at the then current rate established under Ohio Revised Code Sections 323.121 and 5703.47 or any successor provisions thereto, as the same may be amended from time to time.

Service Payments will be made in accordance with the requirements of the TIF Statutes and the Ordinance and will be in the same amount as the real property taxes that would have been charged and payable against the Improvement (after credit for any other payments received by the City under Ohio Revised Code Sections 319.302, 321.24, 323.152 and 323.156, or any successor provisions thereto, as the same may be amended from time to time, and are referred to herein as the "*Property Tax Rollback Payments*") had the TIF Exemption not been granted, including any penalties and interest. The Owner will not, under any circumstances, be required for any tax year to pay both real property taxes and Service Payments with respect to the Improvement, whether pursuant to Ohio Revised Code Section 5709.42 or this Agreement. The City and the Owner agree that the Rockford Homes Tax Equivalent Fund created in Section 5 of the Ordinance (the "*Fund*") will receive all Property Tax Rollback Payments and Service Payments made with respect to the Property that are payable to the City.

Section 2 - Declaration of Covenants; Priority of Lien. It is intended and agreed, and it will be so provided by the Owner in a declaration relating to the Property (the "*Declaration*") that the covenants provided in Sections 1, 2, 3 and 9 of this Agreement are covenants running with the land and that they will, in any event and without regard to technical classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity for the benefit and in favor of and enforceable by the City and the School District against any owner of a portion of the Property with respect to that owner's period of ownership of that portion of the Property, whether or not this Agreement remains in effect or whether or not such provision is included by an owner in any deed to such owner's successors and assigns. It is further intended and agreed that these agreements and covenants will remain in effect for the full period of exemption permitted in accordance with the requirements of the TIF Statutes and the Ordinance enacted pursuant thereto.

Such covenants running with the land will have priority over any other lien or encumbrance on the Property and any improvements thereon, except for such title exceptions as are approved in writing by the City, and the Owner will, upon the City's request, cause any and all holders of mortgages or other liens existing on the Property as of the time of recording of the

Declaration to subordinate such mortgage or lien to those covenants running with the land. The parties acknowledge that the provisions of Ohio Revised Code Section 5709.91, which specify that the Service Payments will be treated in the same manner as taxes for all purposes of the lien described in Ohio Revised Code Section 323.11 including, but not limited to, the priority of the lien and the collection of Service Payments, will apply to this Agreement and to the Property and any improvements thereon.

Section 3 - Exemption Applications. The City and the Owner agree to cooperate in the preparation, execution and filing of all necessary applications and supporting documents to obtain from time to time the TIF Exemption and to enable the City to collect Service Payments with respect to the Property. The City will perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain the TIF Exemption and collect the Service Payments including, without limitation, joining in the execution of all documentation and providing any necessary certificate required in connection with the TIF Exemption or the Service Payments. The Owners authorize the City to file any applications necessary to obtain from time to time the TIF Exemption as provided in the TIF Ordinance and hereby consent to the filing of those applications.

Section 4 - Payment to School District of All School District Tax Revenues. As provided in the Ordinance, the School District will receive, at the same time and in the same manner as real property tax payments, all amounts it would otherwise receive as real property tax payments from the Improvement absent the passage of the Ordinance.

Section 5 - Title Evidence. At the City's option and at its request, the Owner hereby agrees to provide such title evidence, at no cost to the City, as is necessary to demonstrate to the City's satisfaction that the covenants running with the land provided the Declaration are prior and superior to any other liens, encumbrances or other title exceptions, except for those which are approved in writing by the City.

Section 6 - Release. Upon satisfaction of the Owner's obligations under this Agreement and termination of the Owner's obligation to make the Service Payments, the City will, upon the request of the Owner, execute an instrument in recordable form evidencing such termination and releasing the covenants running with the land set forth in the Declaration.

Section 7 - Estoppel Certificate. Within thirty (30) days after a request from any Owner of a portion of the Property, the City will execute and deliver to that owner or any proposed purchaser, mortgagee or lessee of such portion of the Property, a certificate stating that with respect to such portion of the Property, if the same is true: (a) that this Agreement is in full force and effect; (b) that the requesting owner is not in default under any of the terms, covenants or conditions of this Agreement, or, if that owner is in default, specifying same; and (c) such other matters as that Owner reasonably requests. The City is not required to execute or deliver any such certificate in connection with the transfer or lease of any portion of the Property to or the mortgage of any portion of the Property by a person or entity using or intending to use such Property as a residence.

Section 8 - Representations of Owner. The Owner hereby represents that it has full power and authority to enter into this Agreement and carry out its terms.

Section 9 - Tax Incentive Review Council. The Owner agrees to cooperate in all reasonable ways with, and provide necessary and reasonable information to, the designated Tax Incentive Review Council to enable that Tax Incentive Review Council to review and determine annually during the term of this Agreement the compliance of the Owner with the terms of this Agreement. Any information supplied to such Tax Incentive Review Council will be provided solely for the purpose of monitoring the Owner's compliance with this Agreement.

Section 10 - Public Improvements and Financing. All amounts deposited in the Fund will be available to reimburse the Owner pursuant to the Infrastructure Agreement between the Owner and the City dated as of the date hereof until such time as all Public Infrastructure Improvement costs reimbursable under such Infrastructure Agreement are reimbursed. After such time, the City may use amounts in the Fund for any purpose authorized under the TIF Statutes and the Ordinance.

Section 11 - Notices. All notices or other correspondence relating to this Agreement must be in writing (including e-mail or facsimile) and must be delivered or sent guaranteed overnight delivery, by facsimile or e-mail (to be followed by personal or overnight guaranteed deliver, if requested) or by postage prepaid registered or certified mail, return receipt requested, and will be deemed to be given for purposes of this Agreement on the date such writing is received by the intended recipient. Unless otherwise specified in a notice sent in accordance with this section, all communications in writing must be given to the parties at the following addresses:

(a) As to the City:

City of Grove City, Ohio
P.O. Box 427
4035 Broadway
Grove City, Ohio 43123
Attention: Director of Development

(b) As to the Owner:

Rockford Homes Inc.
999 Polaris Parkway
Columbus, Ohio 43240

Section 12 - Successors; Assignment; Amendments, Changes and Modifications. This Agreement will be binding upon the Owner and its successors and assigns (excluding, except with respect to Sections 1, 2, 3 and 9 of this Agreement, purchasers or lessors of Property who intend to use such property as a residence) and the City and its successors and assigns. The parties may only assign this Agreement with the consent of all parties hereto, provided, however, that nothing in this Agreement prevents the Owner from transferring any or all of its interest in the Private Improvements or the Property to another person or entity. This Agreement may only be amended by written instrument executed by all parties to this Agreement.

Section 13 - Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the parties contained in this Agreement are effective and enforceable to the extent authorized and permitted by applicable law. The obligations of the City may be enforced to the extent permitted by law by mandamus or any suit or proceeding in law or equity. No such covenant, stipulation, obligation or agreement will be deemed a covenant, stipulation, obligation or agreement of any present or future member, officer, agent, or employee of any of the parties hereto in their individual capacity.

Section 14 - Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable, said provision will be fully severable. This Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible that is and will be legal, valid and enforceable.

Section 15 - Separate Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute one and the same instrument.

Section 16 - Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the matters covered herein and supercedes prior agreements and understandings between the parties.

Section 17 - Governing Law and Choice of Forum. This Agreement will be governed by and construed in accordance with the laws of the State of Ohio. All claims, counterclaims, disputes and other matters in question between the City, its employees, contractors, subcontractors and agents, and the Owner, its employees, contractors, subcontractors and agents arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within the State of Ohio.

(Remainder of page intentionally left blank – signatures begin on following page)

IN WITNESS WHEREOF, the City and the Owner have caused this Tax Increment Financing Project and Development Agreement to be executed in their respective names by their duly authorized officers as of the date hereinabove written.

CITY OF GROVE CITY, OHIO

By: _____

Name: _____

Title: _____

Approved as to Form: _____

City Attorney

ROCKFORD HOMES INC.

By: _____

Name: _____

Title: _____

FISCAL OFFICER'S CERTIFICATE

The undersigned, Director of Finance of the City under the foregoing Tax Increment Financing Project and Development Agreement, certifies hereby that the moneys required to meet the obligations of the City during the year 2005 under the foregoing Tax Increment Financing Project and Development Agreement have been appropriated lawfully for that purpose, and is in the Treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Ohio Revised Code Sections 5705.41 and 5705.44.

Dated: _____, 2005

Director of Finance

EXHIBIT A

PROPERTY

The Property includes, but is not limited to, the following tax parcels: 040-011920, 040-012015, 040-005225, 040-005226. The shaded area on the following map depicts the Property and constitutes part of this Exhibit A.

EXHIBIT B

PRIVATE IMPROVEMENTS

A 465 unit residential community featuring 343 single family homes, 40 condominium homes and 82 twin single homes that is generally located in the area south of Holton Road, north of Borror Road and on the east and west sides of the new Buckeye Parkway. Homes are expected to first be available in 2006 and final build-out is expected by 2015.

EXHIBIT C

PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements include the construction of the following improvements and all related costs (as defined in Ohio Revised Code Section 133.15(B)):

- Buckeye Parkway from its current terminus at the north property line of Meadow Grove Estates Section 4 to the south right-of-way line of Holton Road, including, but not limited to, a median and intersection improvements;
- turn lane improvements to Holton Road intersection;
- improvements to Holton Road from Hoover Road to State Route 104;
- Borror Road from State Route 104 to State Route 665;

together with constructing and installing curbs and gutters, public utilities which include water mains and storm sewer, stormwater improvements, burial of utility lines, gas, electric and communications service facilities (including fiber optics), street lighting and signs, sidewalks, bikeways, traffic signs and signalization, and including design and other related costs, any right-of-way or real estate acquisition, erosion and sediment control measures, grading, drainage and other related work, survey work, soil engineering, inspection fees and construction staking, and in each case, all other costs and improvements necessary and appurtenant thereto.

INFRASTRUCTURE AGREEMENT
(Rockford Homes Development)

THIS INFRASTRUCTURE AGREEMENT (this "*Agreement*") dated as of _____, 2005 is among the CITY OF GROVE CITY, OHIO, a municipal corporation organized and existing under the Constitution and laws of the State of Ohio and its Charter (the "*City*"), ROCKFORD HOMES INC., a corporation organized and existing under the laws of the State of Ohio, having its principal office in Columbus, Ohio (the "*Developer*").

WITNESSETH:

WHEREAS, the Developer has acquired and intend to acquire certain parcels of real property on which they plan to develop a residential community, as more fully described on Exhibit A hereto (the "*Private Improvements*"); and

WHEREAS, the Developer intends to cause to be constructed the Developer Infrastructure Improvements; and

WHEREAS, in accordance with applicable law, including but not limited to the Charter of the City, Sections 5709.40, 5709.42 and 5709.43 of the Ohio Revised Code and pursuant to the TIF Ordinance, the City has entered into the TIF Agreement to provide for the financing of the Developer Infrastructure Improvements and desires to enter into this Agreement to provide for its acquisition of the Developer Infrastructure Improvements; and

NOW THEREFORE, the City and the Developer covenant, agree and obligate themselves as follows (provided that obligations of the City created by or arising out of this Agreement shall be payable solely out of the TIF Fund):

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. Unless otherwise defined herein, capitalized words and terms used in this Agreement shall have the meanings set forth in this Section 1.1.

"*Act*" means collectively Sections 5709.40, 5709.42 and 5709.43 of the Ohio Revised Code, as enacted or amended from time to time.

"*Agreement*" means this Infrastructure Agreement dated _____, 2005 between the City and the Developer, as duly amended or supplemented from time to time in accordance with its terms.

"*Agreement Term*" means the period commencing with the delivery of this Agreement and ending on the date on which all of the Developer Infrastructure Improvements have been completed in accordance with this Agreement.

"*Authorized City Representative*" means initially the City Administrator of the City. The City may from time to time provide a written certificate to the Developer signed on behalf of the City by the City Administrator designating an alternate or alternates who shall have the same authority, duties and powers as the initial Authorized City Representative.

"*Authorized Developer Representative*" means initially Donald R. Wick. The Developer may from time to time provide a written certificate to the City signed on behalf of the Developer by the President of the Developer designating an alternate or alternates or a substitute who shall have the same authority, duties and powers as the initial Authorized Developer Representative.

"*Budget*" means that budget set forth in the attached Exhibit E.

"*City*" means the City of Grove City, Ohio.

"*Code*" means the Internal Revenue Code of 1986, as amended, applicable Treasury Regulations (whether temporary or final) under the Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding the foregoing, all as and to the extent applicable.

"*Construction Documents*" means, collectively, (i) the Project Manual and (ii) **[name of construction agreement]**, as that construction agreement may be revised or supplemented from time to time with the approval of the Authorized City Representative and the Authorized Developer Representative, which Project Manual and construction agreement contain the detailed construction plans and specifications for the Developer Infrastructure Improvements, and which Project Manual and construction agreement are on file with the Authorized City Representative on behalf of the City; provided, however, that the provisions of the Project Manual shall control if, and to the extent that, there is any conflict between the provisions of the Project Manual and the provisions of that construction agreement.

"*Costs of the Work*" means the costs associated with the Developer Infrastructure Improvements that are reflected in the Budget.

"*Developer*" means Rockford Homes Inc., a corporation organized and existing under the laws of the State of Ohio, its affiliates, or any successors or assigns thereof permitted under this Agreement.

"*Developer's Completion Certificate*" shall have the meaning set forth in Section 2.3(a) hereof.

"Developer Infrastructure Improvements" means the public infrastructure improvements described in the attached Exhibit B and specifically described in the Construction Documents.

"Drawings and Specifications" shall have the meaning set forth in Section 3.1 hereof.

"Engineer" means Hockaden & Associates, Inc., or any other architectural or engineering firm licensed to perform architectural and engineering services within the State of Ohio and appointed by the City with the consent of the Authorized Developer Representative, which consent shall not be unreasonably withheld or delayed.

"Engineer's Completion Certificate" shall have the meaning set forth in Section 2.3(b) hereof.

"Event of Default" means an Event of Default under Section 6.1 hereof.

"Force Majeure" means acts of God; fires; epidemics; landslides; floods; strikes; lockouts or other industrial disturbances; acts of public enemies; acts or orders of any kind of any governmental authority; insurrections; riots; civil disturbances; arrests; explosions; breakage or malfunctions of or accidents to machinery, transmission pipes or canals; partial or entire failures of utilities; shortages of labor, materials, supplies or transportation; lightning, earthquakes, hurricanes, tornadoes, storms or droughts; periods of unusually inclement weather or excessive precipitation; or any other cause or event not reasonably within the control of the Developer or the City, as the case may be, excluding, however, the inability of the Developer to obtain financing for its obligations hereunder.

"Lender" shall mean any institution or entity (including an trustee(s) for such institution or entity) that has provided any lawful financing to the Developer with respect to its construction of the Developer Infrastructure Improvements and the Private Improvements and of which institution or entity the City has received written notice.

"Notice Address" means:

(a) As to the City:

City of Grove City, Ohio
P.O. Box 427
4035 Broadway
Grove City, Ohio 43123
Attention: Director of Development

(b) As to the Developer:

Rockford Homes Inc.
999 Polaris Parkway
Columbus, Ohio 43240

or a different address as to which notice is given pursuant to Section 7.1 hereof.

"*Person*" shall mean an individual, a corporation, a partnership, an association, a limited liability company, a joint stock company, a joint venture, a trust, an unincorporated organization, or a government or any agency or political subdivision thereof.

"*Private Improvements*" shall have the meaning given to such term in the first recital to this Agreement.

"*Project Manual*" shall mean the [Title of Project Manual], dated _____, 2005, as the same may be revised or supplemented from time to time with the approval of the Authorized City Representative and the Authorized Developer Representative.

"*Purchase Price*" means, for any portion of the Work, the amount set forth in the Budget as the Cost of Work for that Work, as the same may be adjusted pursuant to Section 2.6 hereof, or the actual cost of that Work as evidenced by the information submitted with the Written Requisition for that Work, whichever is less.

"*State*" means the State of Ohio, one of the United States of America.

"*TIF Agreement*" means the Tax Increment Financing Agreement dated _____, 2005, entered into pursuant to the TIF Ordinance and by and among the City and the Developer, as duly amended or supplemented from time to time.

"*TIF Fund*" mean the Rockford Homes Tax Equivalent Fund created in Section 5 of the TIF Ordinance.

"*TIF Ordinance*" means Ordinance No. C-116-05 passed by the Council of the City on December 05, 2005.

"*Work*" means the construction of the Developer Infrastructure Improvements in accordance with this Agreement.

Section 1.2. Certain Words Used Herein; References. Any reference herein to the City, any members or officers thereof, or other public boards, commissions, departments, institutions, agencies, bodies or other entities, or members or officers thereof, includes without limitation, entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or performing their functions lawfully.

Any reference to a section or provision of the Constitution of the State, the Act, a section, provision or chapter of the Ohio Revised Code, federal or State laws includes without limitation, that section, provision or chapter, or those laws or regulations, as amended, modified, revised, supplemented or superseded from time to time.

Words of any gender include the correlative words of any other gender. Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa. The terms "hereof", "herein", "hereby", "hereto" and "hereunder", and similar terms, refer to this Agreement; and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Agreement.

ARTICLE II CONSTRUCTION OF THE DEVELOPER INFRASTRUCTURE IMPROVEMENTS

Section 2.1. General Considerations. In consideration of the Developer's promise to cause to be constructed the Developer Infrastructure Improvements, the City agrees to, subject to Section 2.4 hereof, reimburse the Developer for the Costs of the Work of such Developer Infrastructure Improvements in accordance with this Agreement.

Section 2.2. Construction of the Developer Infrastructure Improvements. The Developer covenants and agrees that it will cause to be constructed and installed all of the Developer Infrastructure Improvements in accordance with the Construction Documents.

Unless the City consents in writing to a different date, which consent shall not be unreasonably withheld or delayed, the Developer agrees to complete the construction of all of the Developer Infrastructure Improvements on or before July 1, 2006, provided that the Developer agrees to give its best effort to complete the construction of all of the Developer Infrastructure Improvements by May 1, 2006.

The Developer agrees that the Developer Infrastructure Improvements, including all rights-of-way and easements associated therewith, including those identified on the attached Exhibit C, shall be dedicated for public use upon completion and acceptance as provided in Section 2.3 and Section 2.4 hereof.

Section 2.3. Completion of the Developer Infrastructure Improvements. The Developer Infrastructure Improvements shall be deemed completed upon fulfillment of the following conditions set forth in this Section 2.3:

- (a) Receipt of written notice (the "*Developer's Completion Certificate*") from the Authorized Developer Representative that the Developer Infrastructure Improvements have been completed and are ready for final acceptance by the City, which notice shall (a) describe all property acquired or installed as part of the Developer Infrastructure Improvements; (b) state the Purchase Price for the Developer Infrastructure

Improvements, and (c) state and shall constitute the Developer's representation that the construction, improvement and equipping of the Developer Infrastructure Improvements have been completed substantially in accordance with the Construction Documents, all costs then due and payable in connection therewith have been paid, there are no mechanics' liens or to their knowledge, after reasonable inquiry, any basis for such liens, and all obligations, costs and expenses in connection with the Developer Infrastructure Improvements have been paid or discharged.

(b) Receipt from the Engineer of a final Certificate of Completion (the "*Engineer's Completion Certificate*") stating that to the best of the Engineer's knowledge, information and belief, and on the basis of the Engineer's on-site visits and inspections, that the Developer Infrastructure Improvements have been satisfactorily completed in accordance with the terms and conditions of the Construction Documents and that the construction, improvement and equipping of the Developer Infrastructure Improvements have been accomplished in a manner that conforms to all then applicable governmental laws, rules and regulations.

Section 2.4. Acceptance of the Developer Infrastructure Improvements. The City shall have no obligation to purchase the Developer Infrastructure Improvements until (i) the Developer Infrastructure Improvements have been satisfactorily completed in accordance with the Construction Documents, as evidenced by the Engineer's Completion Certificate and properly dedicated as public rights-of-way and easements to the City; (ii) the City has received the Developer's Completion Certificate and the Engineer's Completion Certificate and all documents and instruments to be delivered to the City pursuant to the Construction Documents and; (iii) the City has received evidence satisfactory to it that all liens on the Developer Infrastructure Improvements, including, but not limited to tax liens, the lien of any mortgage, and any mechanic's liens, have been, and any and all such liens on the Developer Infrastructure Improvements shall have been, released, or with respect to mechanic's liens, security therefor has been provided pursuant to Section 3.9 hereof. The City agrees to purchase any phase or phases of the Developer Infrastructure Improvements (as such phases and the amount of the Purchase Price allocable thereto are identified in the Budget) and the rights-of-way allocable thereto as to which the conditions listed in (i) through (iii) of the immediately preceding sentence have been satisfied; provided, however, that unless agreed to in writing by the Authorized City Representative, the Developer agrees that the City shall have no obligation to accept the Developer Infrastructure Improvements in more than two installments. The acceptance by the City of the Developer Infrastructure Improvements shall not relieve the Developer of its responsibility for defects in material or workmanship as set forth in Section 5.5 hereof.

Section 2.5. Extensions of Time. If the Developer or the City is delayed in the commencement or progress of its obligations hereunder by a breach by the other party of its obligations hereunder, or by failure of the Engineer to act as provided in this Agreement, or by Force Majeure, then the time for performance under this Agreement by the party so delayed shall be extended for such time as is commercially reasonable under the circumstances.

Section 2.6 Changes in the Work. After the execution of this Agreement, and without invalidating this Agreement, the Developer, the City and the Engineer by written agreement (a "*Change Order*") may agree to changes in the Work. Changes in the Work shall be performed under applicable provisions of this Agreement and the Construction Documents, and the Developer shall proceed promptly, unless otherwise provided in the Change Order.

A Change Order shall be in the form of a written instrument prepared by the Engineer and signed by the Authorized City Representative, the Authorized Developer Representative and the Engineer, stating their agreement upon (a) the change in the Work, (b) any adjustment of the Purchase Price, and (c) any extension of the time for performance under this Agreement.

In the event the Developer determines, based upon increased Costs of the Work associated with any Change Order, to request an increase in the Purchase Price, it shall notify the City and the Engineer in writing. The City and the Engineer shall respond or meet with the Authorized Developer Representative within 10 business days of receiving such notice to discuss adjustment of the Purchase Price. The Developer and the City agree that the unit prices contained in the Project Manual shall be used as a benchmark in computing the increased Costs of the Work associated with a Change Order. The Authorized City Representative, subject to the limitations on the Purchase Price paid contained in Section 4.1 and based upon the advice of the Engineer, shall have sole discretion to approve any increase in the Purchase Price, provided there are sufficient contingency funds in the Budget to accommodate such increase in the Purchase Price. Any increase in the Purchase Price approved in accordance with this Agreement shall be reflected in a revised budget, which thereafter shall be the "Budget" for all purposes of this Agreement.

ARTICLE III FURTHER PROVISIONS RELATING TO THE CONSTRUCTION OF THE DEVELOPER INFRASTRUCTURE IMPROVEMENTS

Section 3.1. Construction Documents. The Developer is causing to be prepared the Construction Documents, which shall be in a form satisfactory to the Authorized City Representative and the Developer. The Drawings and Specifications contained in the Construction Documents and any working drawings, plans and specifications prepared in connection with the Construction Documents (collectively, the "*Drawings and Specifications*") are instruments of service through which the Work to be executed is described. The Developer and the Lender each may retain one record set. The City shall own the copyrights on the Drawings and Specifications and will retain all common law, statutory and other reserved rights, in addition to the copyrights. All copies of the Drawings and Specifications, except the record sets of the Developer and the Lender, shall be returned or suitably accounted for to the City, on request, upon final completion of the Developer Infrastructure Improvements, and copies thereof furnished to the Developer and the Lender are for use solely with respect to the Developer Infrastructure Improvements. They are not to be used by the Developer or the Lender on other projects without the specific written consent of the City. The Developer and the Lender are authorized to use and reproduce applicable portions of the Drawings and Specifications

appropriate to the execution of obligations with respect to the Developer Infrastructure Improvements; provided, however, that any reproduction and distribution of copies of the Drawings and Specifications by the Developer or the Lender to the extent necessary to comply with official regulatory requirements or obligations of law shall not be construed as an infringement of the copyrights or other reserved rights of the City with respect to the Drawings and Specifications. All copies made under this authorization shall bear the statutory copyright notice, if any, shown on the Drawings and Specifications.

Section 3.2. Prevailing Wage. The City designates its Director of Finance as the prevailing wage coordinator for the Developer Infrastructure Improvements (the "*Prevailing Wage Coordinator*"). The Developer acknowledges and agrees that the Developer Infrastructure Improvements are subject to the prevailing wage requirements of Chapter 4115 of the Ohio Revised Code and all wages paid to laborers and mechanics employed on the Developer Infrastructure Improvements shall be paid at not less than the prevailing rates of wages of laborers and mechanics for the classes of work called for by the Developer Infrastructure Improvements, which wages shall be determined in accordance with the requirements of that Chapter 4115. The Developer shall comply, and the Developer shall require compliance by all contractors and shall require all contractors to require compliance by all subcontractors working on the Developer Infrastructure Improvements, with all applicable requirements of that Chapter 4115, including any necessary posting requirements. The Developer (and all contractors and subcontractors thereof) shall cooperate with the Prevailing Wage Coordinator and respond to all reasonable requests by the Prevailing Wage Coordinator when the Prevailing Wage Coordinator is determining compliance by the Developer (and all contractors and subcontractors thereof) with the applicable requirements of that Chapter 4115.

The Prevailing Wage Coordinator shall notify the Developer of the prevailing wage rates for the Developer Infrastructure Improvements. The Prevailing Wage Coordinator shall notify the Developer of any change in prevailing wage rates within seven working days of receiving notice of such change from the Director of the Ohio Department of Commerce. The Developer shall immediately upon such notification (i) insure that all contractors and subcontractors receive notification of any change in prevailing wage rates as required by that Chapter 4115 (ii) make the necessary adjustment in the prevailing wage rates and pay any wage increase as required by that Chapter 4115 and (iii) insure that all contractors and subcontractors make the same necessary adjustments.

The Developer shall, upon beginning performance of this Agreement, notify the Prevailing Wage Coordinator of the commencement of Work, supply to the Prevailing Wage Coordinator the schedule of the dates during the life of this Agreement on which the Developer (or any contractors or subcontractor thereof) is required to pay wages to employees. The Developer (and each contractor or subcontractor thereof) shall also deliver to the Prevailing Wage Coordinator a certified copy of its payroll within two weeks after the initial pay date, and supplemental reports for each month thereafter and in connection with any Written Requisition which shall exhibit for each employee paid any wages, the employee's name, current address, social security number, number of hours worked during each day of the pay periods covered and

the total for each week, the employee's hourly rate of pay, the employee's job classification, fringe payments and deductions from the employee's wages. The certification of each payroll shall be executed by the Developer (or contractor, subcontractor, or duly appointed agent thereof, applicable) and shall recite that the payroll is correct and complete and that the wage rates shown are not less than those required by this Agreement and Chapter 4115 of the Ohio Revised Code.

The Developer shall provide to the Prevailing Wage Coordinator a list of names, addresses and telephone numbers for any contractors or subcontractors performing any Work on the Developer Infrastructure Improvements as soon as they are available, and the name and address of the bonding/surety company and the statutory agent (if applicable) for those contractors or subcontractors. The Developer shall not contract with any contractor or subcontractor listed with the Ohio Secretary of State for violations of Chapter 4115 of the Ohio Revised Code pursuant to Section 4115.133 of the Ohio Revised Code.

Prior to final payment under this Agreement, the Developer (and any contractor or subcontractor thereof) shall submit to the Prevailing Wage Coordinator the affidavit required by Section 4115.07 of the Ohio Revised Code.

Section 3.3. Traffic Control Requirements. The Developer shall be responsible for ensuring the provision, through contractors or otherwise, of all traffic control devices, flaggers and police officers required to properly and safely maintain traffic during the construction of the Developer Infrastructure Improvements. All traffic control devices shall be furnished, erected, maintained and removed in accordance with the "Ohio Manual of Traffic Control Devices for Construction and Maintenance Operation."

Section 3.4. Equal Opportunity Clause. The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that the Developer is an equal opportunity employer. The Developer shall require all contractors and shall require all contractors to require all subcontractors to include in each contract a summary of this equal opportunity clause.

Section 3.5. Insurance Requirements. The Developer shall take out and maintain, and shall require all contractors and shall require all contractors to require all subcontractors to take out or cause to be taken out and maintained, until such time as each has completed its portion of the Work, Comprehensive General Liability Insurance, which insurance shall protect the Developer, the City, the Engineer and any contractor or subcontractor performing Work covered by this Agreement from the types of claims for damages as set forth in the Construction Documents. Such insurance policy or policies shall include the Developer (unless the Developer is a named insured thereunder), the City and the Engineer as additional named insureds.

The coverage limits under each such insurance policy shall not be less than the minimum limits of liability required by the Project Manual. Each such insurance policy shall provide that any attorney fees accruing or payable with respect to a claim under such policy shall be paid by the insurer and shall not count against the coverage limits of such policy.

Prior to commencement of any portion of the Work by any contractor or subcontractor, such contractor or subcontractor, as the case may be, shall provide to the Developer, the City and the Engineer an original certificate of insurance as proof of such insurance coverage.

Such insurance shall remain in full force and effect during the Agreement Term. Insurance may not be changed or canceled unless all insureds, including the Developer, the City and the Engineer, are notified in writing not less than 30 days prior to such change or cancellation.

Section 3.6. City Income Tax Withholdings. The Developer shall withhold and pay, shall require all contractors to withhold and pay, and shall require all contractors to require all subcontractors to withhold and pay, all City income taxes due or payable with respect to wages, salaries, commissions and any other income subject to the provisions of Chapter 191 of the Codified Ordinances of the City.

Section 3.7. Ohio Products. The Developer shall use, and shall require all contractors to use and require all contractors to require all subcontractors to use, all to the extent practicable and commercially reasonable, Ohio products, materials, services, and labor in connection with the Developer Infrastructure Improvements.

Section 3.8. Compliance with Occupational Health and Safety Act of 1970. The Developer and all contractors and subcontractors shall be solely responsible for their respective compliance with the Occupational Safety and Health Act of 1970 under this Agreement.

Section 3.9. Provision of Security for Mechanic's Liens. To the extent any materialman, contractor, or subcontractor files and records a mechanic's lien against the Developer Infrastructure Improvements, the Developer shall, or shall require the appropriate contractor to, provide any security required by Section 1311.11 of the Ohio Revised Code to cause that mechanic's lien to be released of record with respect to the Developer Infrastructure Improvements.

Section 3.10. (Reserved)

Section 3.11. Security for Performance. The Developer shall furnish or require all contractors performing Work to furnish prior to commencement of construction of the Developer Infrastructure Improvements, one of the following types of project guarantees:

(a) Contract Bonds. A surety bond that shall name the Developer and the City as obligee in the form provided by Section 153.57 of the Ohio Revised Code. The performance and materialman's bond shall cover all Costs of the Work, including during the guarantee period of one (1) year set forth in Section 5.5 hereof.

(b) Irrevocable Letter of Credit. A letter of credit naming the Developer and the City as obligee in the form provided by 153.57 of the Ohio Revised Code. The letter of credit shall be subject to the Uniform Customs and Practices for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500. The letter of credit shall cover all Costs of the Work, including during the guarantee period of one (1) year set forth in Section 5.5 hereof.

Any bond shall be executed by sureties that are licensed to conduct business in the State and are named in the current list of "companies Holding Certificates of Authority as Acceptable Securities on Federal Bonds and as Acceptable Insurance Companies" as published in Circular 570 (amended) by the Audit Staff Bureau of Accounts, U.S. Treasury Department. All bonds signed by an agent must be accompanied by a certified copy of the authority to act. If the surety of any bond so furnished by a contractor declares bankruptcy, become insolvent or its right to do business is terminated in Ohio, the Developer shall within five (5) days thereafter shall substitute another bond and surety or cause the contractor to substitute another bond and surety, both of which shall be acceptable to the City and the Developer. The Developer shall provide to the City prior to commencement of any Work by any contractor a copy the security for performance provided by the Developer or contractor pursuant to this Section.

ARTICLE IV PAYMENT OF COSTS

Section 4.1. Payment of Purchase Price. Pursuant to the TIF Ordinance, the City has established the TIF Fund for, in part, the payment of the Purchase Price. The monies on deposit in the TIF Fund designated by the TIF Agreement as available to pay for Developer Infrastructure Improvements (the "*Developer TIF Amounts*") shall be disbursed from time to time to make payments to the Developer with respect to portions of the Purchase Price allocable to Developer Infrastructure Improvements accepted by the City pursuant to Section 2.4 hereof (the "*Accepted Improvements*"), provided, that the aggregate amount of the Purchase Price paid shall in no case exceed \$1,525,000. The Developer shall deliver a written requisition executed by the Authorized Developer Representative substantially in the form attached hereto as Exhibit F (each, a "*Written Requisition*") to the City prior to any such disbursement of the Developer TIF Amounts. The Developer shall furnish invoices or other documentation in connection with each such Written Requisition upon the request of the Authorized City Representative. Any Written Requisition may be in the form of a communication by telegram, telex, or facsimile transmission, but if in such form it shall be promptly confirmed by a Written Requisition executed by an Authorized Developer Representative and approved by the Authorized City Representative. Any unpaid portion of the Purchase Price identified in an approved Written Requisition that is not paid due to insufficient Developer TIF Amounts will be paid within sixty (60) days (subject to appropriations by City Council) of the receipt of new Developer TIF Amounts from the Franklin County Treasurer without further action on the part of the Developer provided that no Event of Default then exists.

In paying any Written Requisition under this Section 4.1, the City shall be entitled to rely as to the completeness and accuracy of all statements in a Written Requisition upon the approval of such Written Requisition by an Authorized Developer Representative with the execution thereof, and communication thereof by telegram, telex, or facsimile transmission, to be conclusive evidence of such approval, and the Developer shall indemnify and save harmless the City from any liability incurred in connection with any Written Requisition so executed or communicated by an Authorized Developer Representative.

The Developer shall not submit or cause to be submitted to the City any Written Requisition and shall have no claim upon any monies in the TIF Fund so long as there shall have occurred and be continuing any Event of Default.

All disbursements pursuant to this Section shall be made solely from Developer TIF Amounts. The obligation of the City to make payments to the Developer pursuant to this Agreement is not an obligation or pledge of any moneys raised by taxation and does not represent or constitute a debt or pledge of the faith and credit of the City. The Developer shall receive no other monies from the City in connection with the construction of the Developer Infrastructure Improvements other than the disbursements of the Developer TIF Amounts described in this Agreement. All disbursements requested pursuant to this section shall be subject to the prior approval of the Director of Public Services and the Director of Finance.

Section 4.2. Developer Required to Pay Costs of Developer Infrastructure Improvements that Exceed the Purchase Price or Developer TIF Amounts. In the event that the aggregate costs of construction of the Developer Infrastructure Improvements exceeds the Purchase Price or the Developer TIF Amounts, the Developer covenants and agrees, for the benefit of the City, to pay that portion of such costs that exceeds the Purchase Price or Developer TIF Amounts and indemnify the City against such costs.

The City does not make any representation or warranty, either express or implied, that the costs of construction of the Developer Infrastructure Improvements will not exceed the Purchase Price or Developer TIF Amounts.

The Developer covenants and agrees that if the Developer must pay any costs of construction of the Developer Infrastructure Improvements that exceeds the Purchase Price or Developer TIF Amounts, the Developer will not be entitled to any reimbursement for such costs from the City.

Section 4.3. Estoppel Certificates. Upon request of the Lender, the City shall execute and deliver to the Lender a certificate stating (a) that this Agreement is in full force and effect, if the same is true, (b) that the Developer is not in default under any of the terms, covenants or conditions of this Agreement, or, if the Developers is in default, specifying the same, and (c) such other matters as the Lender reasonably requests.

ARTICLE V
CERTAIN REPRESENTATIONS, WARRANTIES,
COVENANTS AND AGREEMENTS

Section 5.1. Certain Representations, Warranties, Covenants and Agreements of City.
The City represents and warrants as of the date of delivery of this Agreement that:

(a) It is a municipal corporation and political subdivision duly organized and validly existing under the Constitution and laws of the State.

(b) It will have duly accomplished all conditions necessary to be accomplished by it prior to the execution and delivery of this Agreement and to constitute this Agreement as a valid and binding obligation of the City enforceable in accordance with its terms.

(c) It is not in violation of or in conflict with any provision of the laws of the State that would impair its ability to observe and perform its covenants, agreements and obligations under this Agreement.

(d) It has and will have full power and authority (i) to execute, deliver, observe and perform this Agreement and all other instruments and documents executed and delivered by the City in connection herewith and (ii) to enter into, observe and perform the transactions contemplated this Agreement and those other instruments and documents.

(e) It has or will have duly authorized the execution, delivery, observance and performance of this Agreement.

(f) The TIF Ordinance and the TIF Agreement are each valid and binding, have not been amended, modified or rescinded, and are in full force and effect.

Section 5.2. Certain Representations, Warranties, Covenants and Agreements of Developer. The Developer represents and warrants as of the date of delivery of this Agreement that:

(a) The Developer (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio and (ii) has all requisite power and authority and all necessary licenses and permits to own and operate its properties and to carry on its business as now being conducted and as presently proposed to be conducted.

(b) There are no actions, suits, proceedings, inquiries or investigations pending, or to the knowledge of the Developer threatened, against or affecting the Developer in any court or before any governmental authority or arbitration board or tribunal that involve the possibility of materially and adversely affecting the transactions

contemplated by this Agreement or the ability of the Developer to perform its obligations under this Agreement.

(c) The execution and delivery by the Developer of this Agreement and the compliance by the Developer with all of the provisions hereof (i) are within the authority and powers of the Developer, (ii) will not conflict with or result in any breach of any of the provisions of, or constitute a default under, any agreement, its articles of organization or operating agreement, or other instrument to which the Developer is a party or by which it may be bound, or any license, judgment, decree, law, statute, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Developer or any of its activities or properties, and (iii) have been duly authorized by all necessary action on the part of the Developer.

(d) No event has occurred and no condition exists with respect to the Developer that would constitute a default under this Agreement or that, with the lapse of time or with the giving of notice or both, would become an Event of Default under this Agreement.

Section 5.3. Developer to Maintain Legal Existence. The Developer covenants and agrees that it will maintain its legal existence so long as the Developer remains liable under this Agreement.

Section 5.4. Indemnification. The Developer shall indemnify, defend and hold harmless the City and its agents and employees from and against any and all suits, claims, damages, losses and expenses, including reasonable attorney fees, arising or allegedly arising out of, or resulting from performance of the Work or the making of any other public improvements related to the Developer Infrastructure Improvements, provided that any such suit, claim, damage, loss or expense is:

(a) attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, and

(b) is caused in whole or in part by any negligent act or omission of the Developer; its contractors, subcontractors, agents, employees or representatives; or anyone directly or indirectly employed by any of the foregoing for whose acts any of the foregoing may be liable, regardless of whether or not it is caused in part by the City or its agents or employees.

The Developer shall require that all contractor agreements, and shall require all contractors to require that all subcontractor agreements, include indemnification language as found above. The Developer shall promptly reimburse the City and its successors and assigns, for any cost, expense or attorney's fees incurred on account of any such suit or claim incurred in enforcing the terms of this Agreement. This indemnification provision is agreed to by the

Developer to expressly waive the Developer's immunity, if any, as a complying employer under Section 35, Article II of the Ohio Constitution and Worker's Compensation laws of the Ohio Revised Code from indemnifying and holding the City harmless from claims by employees, agents or contractors of the Developer. This indemnity does not cover (a) any injuries or damages occurring after the completion of construction of the improvements by the Developer, or (b) any injuries or damages arising out of the actions or inactions of the City or its agents or employees.

This Section 5.4 shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity that otherwise exists as to part or person described in this Section.

Section 5.5. Further Developer Guaranties Relating to the Developer Infrastructure Improvements. The Developer warrants that it will cause to be exercised in the performance of the Work the standard of care normally exercised by nationally recognized engineering and construction organizations engaged in performing comparable services. The Developer further warrants that each phase of the Work shall be free from defects in materials and workmanship (without regard to the standard of care exercised in its performance) for a period of one (1) year after final written acceptance of that phase of the Work. The Developer shall at its own expense:

(a) Correct or re-execute, or cause to be corrected or re-executed, any of the Work that fails to conform with the requirements of the Construction Documents and appears during the prosecution of the Work;

(b) Correct, or cause to be corrected, any defects in materials and workmanship of the Work (without regard to the standard of care exercised in its performance) that appear within a period of one (1) year after final written acceptance of that Work or within such longer period of time as may be set forth in the Construction Documents; and

(c) Replace, repair, or restore, or cause replacement, repair or restoration of, any parts of the Work or any of the fixtures, equipment, or other items placed therein that are injured or damaged as a consequence of any such failure or defect, or as a consequence of corrective action taken pursuant hereto. Should the Developer fail to make, or cause to be made, corrections required by this Section, then the City may do so at the expense of the Developer.

Section 5.6. Developer Representations as to Personal Property Taxes. Each Developer represents that at the time of the execution of this Agreement, the Developer was not charged with any delinquent personal property taxes on the general tax list of personal property of either of Franklin or Pickaway Counties. Further, the Developer shall require all contractors to execute an affidavit in the form attached hereto as Exhibit D, a copy of which certificate shall be delivered to the Authorized City Representative prior to the commencement of any work by that contractor or subcontractor.

ARTICLE VI EVENTS OF DEFAULT AND REMEDIES

Section 6.1. Events of Default and Remedies. (a) Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party or successor shall, upon written notice from the other, proceed promptly to cure or remedy such default or breach. In case such remedial action is not taken or not diligently pursued within thirty (30) days of such written notice, the party asserting default or breach may institute such proceedings at law or in equity, or in the case of a claim against the City, an action in mandamus, as may be necessary or desirable in its opinion to remedy such default or breach.

(b) Notwithstanding the preceding paragraph, if by reason of Force Majeure any party fails in the observance or performance of any of its agreements, duties or obligations to be observed or performed under this Agreement, the party shall not be deemed to be in default under this agreement. The party will give notice promptly to the other of any event of Force Majeure and will use its best efforts to remedy that event with all reasonable dispatch; provided that a party will not be required to settle strikes, lockouts or other industrial disturbances by acceding to the demands of any opposing Person, when in that party's judgment, that course would be unfavorable to it; and no suspension will constitute an Event of Default if that suspension is a result of the application of federal or State wage, price or economic stabilization controls, cost containment requirements, restrictions on rates, charges or revenues of the Developer that prevents the Developer from observing and performing the applicable covenant, agreement or obligation.

(c) The declaration of an Event of Default hereunder and the exercise of rights, remedies and powers upon the declaration are subject to any applicable limitations of federal bankruptcy law affecting or precluding the declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 6.2. No Remedy Exclusive. Unless provided expressly otherwise herein, no right, remedy or power conferred upon or reserved to either party under this Agreement is intended to be exclusive of any other available right, remedy or power, but each right, remedy and power shall be cumulative and concurrent and shall be in addition to every other right, remedy and power available under this Agreement or existing at law, in equity or by statute or otherwise now or hereafter.

No exercise, beginning of the exercise, or partial exercise by either party of any one or more rights, remedies or powers shall preclude the simultaneous or later exercise by that party of any or all other rights, remedies or powers. No delay or omission in the exercise of any right, remedy or power accruing upon any Event of Default hereunder shall impair that or any other right, remedy or power or shall be construed to constitute a waiver of any Event of Default hereunder, but any right, remedy or power may be exercised from time to time and as often as may be deemed to be expedient.

Section 6.3. No Additional Waiver Implied by One Waiver. In the event that any covenant, agreement or obligation under this Agreement shall be breached by either the Developer or the City and the breach shall have been waived thereafter by the Developer or the City, as the case may be, the waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other or any subsequent breach thereunder.

No failure by either party to insist upon the strict observance or performance by the other party of any covenant, agreement or obligation under this Agreement and no failure to exercise any right, remedy or power consequent upon a breach thereof, shall constitute a waiver of any right to strict observance or performance or a waiver of any breach. No express waiver shall be deemed to apply to any other breach or to any existing or subsequent right to remedy the breach.

Section 6.4. Waiver of Appraisal, Valuation and Other Laws. In the event that there is an Event of Default under this Agreement and the defaulting party does not contest the existence of the Event of Default, the defaulting party covenants and agrees to waive, and waives hereby, the benefit of all appraisal, valuation, stay, extension or redemption laws in force from time to time, all right of appraisal and redemption to which it may be entitled, and all rights of marshaling, all to the extent that the defaulting party may effect that waiver lawfully. Neither the defaulting party, nor anyone claiming through it, shall set up, claim or seek to take advantage of any of those laws or rights.

Section 6.5. Right to Observe and Perform Covenants, Agreements and Obligations. If the Developer shall fail to observe or perform any covenant, agreement or obligation, under this Agreement, without demand upon the Developer and without waiving or releasing any covenant, agreement, obligation or Event of Default, upon thirty (30) days' written notice to the Developer, the City may observe or perform that covenant, agreement or obligation for the account and at the expense of the Developer, provided that the City shall have no obligation to take any of those actions.

Section 6.6. Provisions Subject to Applicable Law. All rights, remedies and powers hereunder may be exercised only to the extent permitted by applicable law. Those rights, remedies and powers are intended to be limited to the extent necessary so that they will not render this Agreement invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law.

ARTICLE VII MISCELLANEOUS

Section 7.1. Notices. Except as otherwise specifically set forth in this Agreement, all notices, demands, requests, consents or approvals given, required or permitted to be given hereunder shall be in writing and shall be deemed sufficiently given if actually received or if hand-delivered or sent by recognized, overnight delivery service or by certified mail, postage prepaid and return receipt requested, addressed to the other party at the address set forth in this

Agreement or any addendum to or counterpart of this Agreement, or to such other address as the recipient shall have previously notified the sender of in writing, and shall be deemed received upon actual receipt, unless sent by certified mail, in which event such notice shall be deemed to have been received when the return receipt is signed or refused. A duplicate copy of each notice, certificate, request or other communication given hereunder to any party hereto shall be given also to the other parties hereto. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 7.2. Extent of Provisions Regarding City. None of the representations, warranties, covenants, agreements or obligations of the City shall be deemed to be a representation, warranty, covenant, agreement or obligation of any present or future member, officer, agent or employee of the City in other than his or her official capacity.

Section 7.3. Extent of Provisions Regarding the City and the Developer; No Personal Liability. No representation, warranty, covenant, agreement, obligation or stipulation contained in this Agreement shall be deemed to constitute a representation, warranty, covenant, agreement, obligation or stipulation of any present or future trustee, member, officer, agent or employee of the City or the Developer in an individual capacity, and to the extent authorized and permitted by applicable law, no official executing or approving the City's or the Developer's participation in this Agreement shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 7.4. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City, the Developer and their respective permitted successors and assigns, subject, however, to the specific provisions hereof; provided that any covenant, agreement or obligation of the City that requires the expenditure of funds shall not be a general debt of the City.

The City will observe and perform faithfully at all times all covenants, agreements and obligations under this Agreement.

Each covenant, agreement and obligation of the City under this Agreement is binding upon each officer of the City who may have the authority or duty from time to time under law to take any action that may be necessary or advisable to observe or perform that covenant, agreement or obligation.

Section 7.5. Execution Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same agreement. It shall not be necessary in proving this Agreement to produce or account for more than one of those counterparts.

Section 7.6. Severability. In case any section or provision of this Agreement, or any covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, or any application thereof, is held to be illegal or invalid for any reason,

(a) that illegality or invalidity shall not affect the remainder hereof or thereof, any other section or provision hereof, or any other covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, all of which shall be construed and enforced as if the illegal or invalid portion were not contained herein or therein,

(b) the illegality or invalidity of any application hereof or thereof shall not affect any legal and valid application hereof or thereof, and

(c) each section, provision, covenant, agreement, obligation or action, or part thereof, shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law.

Section 7.7. Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 7.8. Governing Law and Choice of Forum. This Agreement shall be governed by and construed in accordance with the laws of the State. Subject to Article VIII hereof, all claims, counterclaims, disputes and other matters in question between the City, its agents and employees, and the Developer, its employees, contractors, subcontractors and agents arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within the State of Ohio.

Section 7.9. Survival of Representations and Warranties. All representations and warranties of the Developer and the City in this Agreement shall survive the execution and delivery of this Agreement.

Section 7.10 Assignment. This Agreement may not be assigned by any party hereto without the written consent of the other parties; provided, however, the Developer shall have the right at any time to assign to the Lender as security all or a portion of its rights to receive payments hereunder in connection with their execution of any loan agreement, indenture, mortgage or such other related and customary instruments necessary or desirable to facilitate any lawful financing with respect to the Developer Infrastructure Improvements and the Private Improvements.

Section 7.11 Amendment. This Agreement may be amended only by a written instrument signed by each party to this Agreement.

ARTICLE VIII DISPUTE RESOLUTION PROVISIONS

Section 8.1 Notice and Filing of Requests. Any request by the City or the Developer for amendment of the terms of this Agreement, including without limitation, for additional funds or time for performance shall be made in writing and given prior to completion of the Developer Infrastructure Improvements.

Section 8.2 Request Information. In every written request given pursuant to Section 8.1 hereof, the party giving notice shall provide the nature and amount of the request; identification of persons, entities and events responsible for or related to the request; and identification of the activities on the applicable schedule affected by the request.

Section 8.3. Meeting. Within ten (10) days of receipt of the request given pursuant to Section 8.1 hereof, the parties shall schedule a meeting in an effort to resolve the request and shall reach a decision on the request promptly thereafter or reach a decision on the request without a meeting, unless a mutual agreement is made to extend such time limit. The meeting shall be attended by persons expressly and fully authorized to resolve the request on behalf of the City and the Developer. Any decision on the request shall be made to the mutual reasonable satisfaction of the parties.

Section 8.4. Mediation. If no decision is reached within 30 days of the date of the meeting held pursuant to Section 8.3 hereof, the parties may submit the matter to mediation, upon written agreement between them, or exercise any other remedy permitted to them at law or in equity.

Section 8.5. Performance. The City and the Developer shall proceed with their respective performance of this Agreement during any dispute resolution process, unless otherwise agreed by them in writing.

(Remainder of page intentionally left blank-signatures begin on following page)

IN WITNESS WHEREOF, the City and each Developer have caused this Infrastructure Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first written above.

CITY OF GROVE CITY, OHIO

By : _____
Title: City Administrator

Approved as to form:

Director of Law

ROCKFORD HOMES INC.

By: _____

Name: _____

Title: _____

FISCAL OFFICER'S CERTIFICATE

The undersigned, Director of Finance of the City under the foregoing Agreement, certifies hereby that the moneys required to meet the obligations of the City during the year 2005 under the foregoing Agreement have been appropriated lawfully for that purpose, and is in the Treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44 of the Ohio Revised Code.

Dated: _____, 2005

Director of Finance
Grove City, Ohio

EXHIBIT A

PRIVATE IMPROVEMENTS

A 465 unit residential community featuring 343 single family homes, 40 condominium homes and 82 twin single homes that is generally located in the area south of Holton Road, north of Borror Road and on the east and west sides of the new Buckeye Parkway. Homes are expected to first be available in 2006 and final build-out is expected by 2015.

EXHIBIT B

DEVELOPER INFRASTRUCTURE IMPROVEMENTS

The Developer Infrastructure Improvements include the construction of the following improvements and all related costs (as defined in Ohio Revised Code Section 133.15(B)):

- Buckeye Parkway from its current terminus at the north property line of Meadow Grove Estates Section 4 to the south right-of-way line of Holton Road, including, but not limited to, a median and intersection improvements;
- turn lane improvements to Holton Road intersection;
- improvements to Holton Road from Hoover Road to State Route 104;
- Berror Road from State Route 104 to State Route 665;

together with constructing and installing curbs and gutters, public utilities which include water mains and storm sewer, stormwater improvements, burial of utility lines, gas, electric and communications service facilities (including fiber optics), street lighting and signs, sidewalks, bikeways, traffic signs and signalization, and including design and other related costs, any right-of-way or real estate acquisition, erosion and sediment control measures, grading, drainage and other related work, survey work, soil engineering, inspection fees and construction staking, and in each case, all other costs and improvements necessary and appurtenant thereto.

EXHIBIT C

Right-of-Way and Easement Dedications

The following page depicts and describes the right-of-ways and easements to be dedicated to the City by the Developer.

EXHIBIT E

DEVELOPER INFRASTRUCTURE IMPROVEMENTS BUDGET

The following pages constitute the Developer Infrastructure Improvements Budget. The total Purchase Price and the Purchase Price for each portion of the Developer Infrastructure Improvements are shown on the immediately following page entitled "RECAP TOTAL BUCKEYE PARKWAY COST FOR TIF".

EXHIBIT F

WRITTEN REQUISITION

City of Grove City, Ohio
P.O. Box 427
4035 Broadway
Grove City, Ohio 43123
Attention: City Administrator

Attention: _____, Authorized City Representative

Subject: Certificate and Request for Disbursement of Funds from the Rockford Homes Tax
Equivalent Fund

You are hereby requested to disburse from the TIF Fund described above, which was created by Ordinance C-__-05, and in accordance with the provisions of Section 4.1 of the Infrastructure Agreement, dated _____, 2005 (the "*Agreement*") between the City and Rockford Homes Inc. (the "*Developer*"), the Purchase Price in the amount of \$_____ as more fully set forth on Schedule A attached hereto to be paid pursuant to this Written Requisition No. _____ to the Developer at _____. All capitalized terms not otherwise defined in this Written Requisition have the meanings assigned to them in the Agreement.

The undersigned Authorized Developer Representative does hereby certify in compliance with Section 4.1 of the Agreement that:

(i) I have read the Agreement and definitions relating thereto and have reviewed appropriate records and documents of Developer relating to the matters covered by this Written Requisition.

(ii) The amount and nature of each item of the Cost of the Work comprising the Purchase Price requested to be paid are shown on Schedule A attached hereto;

(iii) The disbursement herein requested is for an obligation properly incurred, is a proper charge against the TIF Fund as a Cost of the Work, has not been the basis of any previous withdrawal from the TIF Fund and was made in accordance with the Construction Documents;

(iv) The Developer Infrastructure Improvements have not been materially injured or damaged by fire or other casualty in a manner which, if not repaired or replaced, would materially impair the ability of the Developer to meet its obligations under the Agreement;

(v) The Developer is in material compliance with all provisions and requirements of the Agreement, including, but not limited to, all prevailing wage requirements;

(vi) No Event of Default set forth in Article VI of the Agreement, and no event which but for the lapse of time or the giving of notice or both would be such an Event of Default, has occurred and is continuing;

(vii) Attached hereto as Schedule B are lien waivers from any materialmen, contractors and subcontractors who have provided services or materials to the Developer Infrastructure Improvements for which the Purchase Price is to be paid pursuant to this Written Requisition in excess of _____ Dollars (\$_____) and the Developer acknowledges its obligation to require, or require provision of, certain security pursuant to Section 3.9 of the Agreement in the event any mechanic's liens are filed in connection with the Developer Infrastructure Improvements;

(viii) The Developer Infrastructure Improvements are being and have been installed substantially in accordance with the Construction Documents for the Developer Infrastructure Improvements and all materials for which payment is requested have been delivered to and remain on the Developer Infrastructure Improvements site;

(ix) The payment requested hereby does not include any amount which is not entitled to be retained under any holdbacks or retainages provided for in any agreement;

(x) The Developer has asserted its entitlement to all available manufacturer's warranties to date upon acquisition of possession of or title to such improvements or any part thereof which warranties have vested in Developer and shall be wholly transferable to the City; and

(xi) All proceeds of the TIF Fund heretofore disbursed have been spent in accordance with the Written Requisition applicable thereto.

EXECUTED this _____ day of _____, 200__.

By: _____
Authorized Developer Representative

CERTIFICATE OF ENGINEER
PURSUANT TO OHIO REVISED CODE SECTION 5709.40(A)(5)(f)

WHEREAS, pursuant to Ohio Revised Code Section 5709.40(C), City Council of the City of Grove City (the "*City*"), by its proposed Ordinance C-116-05 (the "*Proposed Ordinance*"), intends to create the "Rockford Homes Incentive District" (the "*Proposed District*") and to declare improvements to parcels of real property located within the Proposed District to be a public purpose and exempt from taxation;

WHEREAS, the real property specifically identified and depicted on Exhibit A to the Proposed Ordinance (collectively, the "*Property*") is located in the City of Grove City, Franklin County, Ohio; and

WHEREAS, the boundary of the Proposed District would be coextensive with the boundary of the Property; and

WHEREAS, City Council approved Resolution CR-92-05 approving the "Economic Development Plan for the Rockford Homes Planning Area" (the "*Development Plan*") on November 21, 2005, which Development Plan details the development needs of the Property;

NOW, THEREFORE, I certify that I am the duly appointed, qualified and acting Engineer for the City of Grove City, Ohio, and that:

1. The Proposed District is an area not more than three hundred acres in size enclosed by a continuous boundary.
2. The public infrastructure serving the Proposed District is inadequate to meet the development needs of the Proposed District as evidenced by the Development Plan as adopted by City Council.

Dated: December 5, 2005

A handwritten signature in black ink, appearing to read "Michael Keller", with a long horizontal line extending to the right.

Michael Keller, EMH&T
Engineer
City of Grove City, Ohio

The City of Grove City, Ohio

4035 Broadway • Grove City, Ohio 43123-0427
(614) 277-3000

CHERYL L. GROSSMAN
Mayor

November 16, 2005

To: Board of Education of the South-Western City School District

Subject: Notice of Ohio Revised Code Section 5709.40
Proposed Tax Increment Financing for Rockford Homes Development

This letter constitutes notice to the Board of Education of the South-Western City School District of the City of Grove City's intent to declare certain improvements to be a public purpose under Ohio Revised Code Section 5709.40. The following information is provided pursuant to Ohio Revised Code Sections 5709.40 and 5709.83:

Description of Parcels: See Exhibit A of the attached TIF Ordinance.

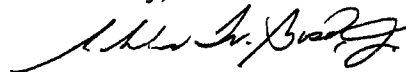
Estimate of the True Value in Money of the Improvements: \$132,200,000.

Period for Which the Improvements Will Be Exempted from Taxation: The improvements will be exempted for a period commencing with the first tax year that begins after the effective date of the proposed TIF Ordinance in which an improvement due to a project structure first appears on the tax list and duplicate of real and public utility property and ending on the earlier of (a) fifteen (15) years after such exemption commenced or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of Ohio Revised Code Sections 5709.40 and 5709.42 and all as further described in the attached TIF Ordinance.

Percentage of the Improvement to be Exempted: 100%, provided the City will make provision in its TIF Ordinance pursuant to Ohio Revised Code Sections 5709.40 and 5709.42 that the District shall receive, at the same time and in the same manner as real property tax payments, all amounts it would otherwise receive as real property tax payments from the improvements absent the City's approval of the exemption under Ohio Revised Code Sections 5709.40 and 5709.42. Since the School District will receive all amounts it would otherwise receive as real property tax payments from the improvements, Ohio Revised Code Section 5709.40(D)(1) does not require the District's prior approval of this TIF exemption.

The City Council intends to take final action on the proposed TIF Ordinance on: December 5, 2005.

Sincerely,



Charles W. Boso, Jr.
Development Director

Attachment: Proposed TIF Ordinance

c: Grove City Council Members
Mayor Cheryl L. Grossman
Les Bostic, City Administrator